

At the Regular Meeting of the Greenville County Water and Sewer Authority, held on Monday, June 6, 2011, at the conclusion of the Board of Supervisors Meeting, in the Board Room of the Greenville County Government Building, 1781 Greenville County Circle, Emporia, Virginia.

Present: Michael W. Ferguson, Chairman
James C. Vaughan, Vice-Chairman
Peggy R. Wiley
Dr. Margaret T. Lee

Chairman Ferguson called the meeting to order.

In Re: Closed Session

Mr. Whittington, Director, stated that Staff recommended the Board go into Closed Session, Section 2.2-3711 (a) 1) Personnel Matters

Mrs. Wiley moved, seconded by Dr. Lee, to go into Closed Session, as recommended by Staff. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

In Re: Regular Session

Mrs. Wiley moved, seconded by Dr. Lee, to go into Regular Session. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

In Re: Certification of Closed Meeting – Resolution #WS-11-20

Mrs. Wiley moved, seconded by Mr. Vaughan, to adopt the following Resolution. A roll call vote was taken, as follows: Dr. Lee, aye; Mr. Vaughan, aye; Mrs. Wiley, aye and Mr. Ferguson, aye.

RESOLUTION #WS-11-20

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Greenville County Water and Sewer Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Greenville County Water and Sewer Authority that such closed meeting was conducted in conformity with Virginia law:

NOW, THEREFORE, BE IT RESOLVED that the Greenville County Water and Sewer Authority hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Greenville County Water and Sewer Authority.

Chairman Ferguson recessed the meeting until the Conclusion of the Board of Supervisors Meeting.

Chairman Ferguson reconvened the meeting.

In Re: Approval of Agenda

Mr. Whittington stated that Staff recommended approval of the Agenda with no added items.

Mrs. Wiley moved, seconded by Dr. Lee, to approve the Agenda as submitted. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

In Re: Approval of Consent Agenda

Mr. Whittington stated that Staff recommended approval of the Consent Agenda.

Mr. Vaughan moved, seconded by Dr. Lee, to approve the Consent Agenda consisting of the following. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

Approval of the May 16, 2011, minutes

Warrants:

Approval of Accounts Payable for June 6, 2011, in the amount of \$77,569.70

Approval of Payroll for May 31, 2011, in the amount of \$77,744.63

In Re: 2010 Water Treatment Plant Performance Award for Excellence in Granular Media Filtration

Mr. James Warf, Superintendent of Public Utilities, addressed the Authority stating that on May 6, 2011, during the "Water for Life" luncheon held by the Southeast Rural Community Assistance Project in Roanoke, the Authority received a 2010 "Water Treatment Plant Performance Award for Excellence in Granular Media Filtration" for the Jarratt Water Treatment Plant. He stated that the award was given for meeting turbidity levels of less than .14 National Turbidity units a minimum of 95% of the time during the year. He stated that Staff was to be commended for the job they performed.

The Greenville County Water and Sewer Authority Board commended Staff on such a job well done and for making this the second year the award had been presented to the Authority.

In Re: Reimbursement Resolutions

Mr. Whittington addressed the Authority stating that the following Resolutions was required when the Authority had projects that it wished to be reimbursed on future expenditures.

In Re: Centrifuge for Enhancement of the Three Creek Sewer Plant Reimbursement Resolution #WS-11-21

Mr. Whittington stated that this resolution regarded the centrifuge or solid waste handling piece of equipment for the enhancement of the operation of the Three Creek Sewage Treatment Plant where the Authority would spend money now and then as the Authority incur debt to take out the interim financing provided by the Authority, could legally refinance the interim financing and incur debt on an ongoing basis.

**RESOLUTION #WS-11-21
RESOLUTION OF THE GREENSVILLE COUNTY WATER AND
SEWER AUTHORITY DECLARING INTENT TO REIMBURSE
PROJECT EXPENDITURES WITH PROCEEDS OF REVENUE BONDS**

WHEREAS, the Greensville County Water and Sewer Authority (the “Authority”) has included in its capital improvement program the installation of a centrifuge for enhanced nutrient removal at the Three Creek Sewer Plant located in the County of Greensville, Virginia (the “Project”);

WHEREAS, the Authority intends to issue one or more series of revenue bonds in an aggregate principal amount not to exceed \$1,500,000 (the “Bonds”) to finance all or a portion of the cost of the Project;

WHEREAS, the Internal Revenue Code of 1986, as amended, and Treasury Regulations Section 1.150-2 thereunder, provide that proceeds of tax-exempt obligations may be used to reimburse a previously paid expenditure provided that certain criteria are met; and

WHEREAS, the Authority has paid and intends to pay certain expenditures with respect to the Project prior to the issuance of Bonds to finance the Project and to receive reimbursement for such expenditures from proceeds of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE GREENSVILLE COUNTY WATER AND SEWER AUTHORITY AS FOLLOWS:

1. The Authority intends to issue or to cause the issuance of Bonds to pay all or part of the costs of the Project, together with other available funds.

2. The Authority intends to receive reimbursement from proceeds of the Bonds, when issued, for expenditures made not more than 60 days prior to the date of this Resolution related to the Project that are paid prior to such issuance.

3. Each expenditure reimbursed with proceeds of the Bonds will be, unless otherwise approved by the Authority’s bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Authority so long as such grant does not impose any obligation or condition to repay any amount to or for the benefit of the Authority.

4. The Authority intends to make a reimbursement allocation, which is a written allocation that evidences the Authority’s use of proceeds of the Bonds to reimburse an expenditure, no later than 18 months after the later of the date on which the expenditure is paid or the Project is placed in service or abandoned (but in no event more than three years after the date on which the expenditure is paid).

5. The Authority recognizes that exceptions are available under the applicable Treasury Regulations which also may permit reimbursement for certain (a) preliminary expenditures incurred prior to commencement of construction, (b) expenditures in an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the Bonds, and (c)

expenditures for long-term construction projects of at least five years duration.

6. The Authority intends that adoption of this Resolution shall constitute “official intent” within the meaning of Treasury Regulations Section 1.150-2.

7. This Resolution shall be effective immediately.

In Re: Expansion of the Three Creek Sewer Plant Reimbursement Resolution #WS-11-22

Mr. Whittington stated that the Resolution regarded an expenditure of \$1.34 million for engineering required to expand the Three Creek Sewage Treatment Plant from 750,000 per day to 2 million gallons of water per day. He requested approval of the following:

RESOLUTION #WS-11-22
RESOLUTION OF THE GREENSVILLE COUNTY WATER AND
SEWER AUTHORITY DECLARING INTENT TO REIMBURSE
PROJECT EXPENDITURES WITH PROCEEDS OF REVENUE BONDS

WHEREAS, the Greensville County Water and Sewer Authority (the “Authority”) has included in its capital improvement program the expansion of the Three Creek Sewer Plant located in the County of Greensville, Virginia (the “Project”);

WHEREAS, the Authority intends to issue one or more series of revenue bonds in an aggregate principal amount not to exceed \$1,500,000 (the “Bonds”) to finance all or a portion of the cost of the Project;

WHEREAS, the Internal Revenue Code of 1986, as amended, and Treasury Regulations Section 1.150-2 thereunder, provide that proceeds of tax-exempt obligations may be used to reimburse a previously paid expenditure provided that certain criteria are met; and

WHEREAS, the Authority has paid and intends to pay certain expenditures with respect to the Project prior to the issuance of Bonds to finance the Project and to receive reimbursement for such expenditures from proceeds of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE GREENSVILLE COUNTY WATER AND SEWER AUTHORITY AS FOLLOWS:

1. The Authority intends to issue or to cause the issuance of Bonds to pay all or part of the costs of the Project, together with other available funds.

2. The Authority intends to receive reimbursement from proceeds of the Bonds, when issued, for expenditures made not more than 60 days prior to the date of this Resolution related to the Project that are paid prior to such issuance.

3. Each expenditure reimbursed with proceeds of the Bonds will be, unless otherwise approved by the Authority's bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Authority so long as such grant does not impose any obligation or condition to repay any amount to or for the benefit of the Authority.

4. The Authority intends to make a reimbursement allocation, which is a written allocation that evidences the Authority's use of proceeds of the Bonds to reimburse an expenditure, no later than 18 months after the later of the date on which the expenditure is paid or the Project is placed in service or abandoned (but in no event more than three years after the date on which the expenditure is paid).

5. The Authority recognizes that exceptions are available under the applicable Treasury Regulations which also may permit reimbursement for certain (a) preliminary expenditures incurred prior to commencement of construction, (b) expenditures in an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the Bonds, and (c) expenditures for long-term construction projects of at least five years duration.

6. The Authority intends that adoption of this Resolution shall constitute "official intent" within the meaning of Treasury Regulations Section 1.150-2.

7. This Resolution shall be effective immediately.

In Re: Improvement of the Jarratt Wastewater Treatment Plant Reimbursement Resolution #WS-11-23

Mr. Whittington stated that this Resolution regarded the improvements to be made to the Jarratt Wastewater Treatment Plant. He stated that the contract was approved for the engineering of the project at the last meeting with B&B Consultants and that the work would be scheduled for summer and completed by October. He requested approval of the following:

**RESOLUTION #WS-11-23
RESOLUTION OF THE GREENSVILLE COUNTY WATER AND
SEWER AUTHORITY DECLARING INTENT TO REIMBURSE
PROJECT EXPENDITURES WITH PROCEEDS OF REVENUE BONDS**

WHEREAS, the Greenville County Water and Sewer Authority (the "Authority") has included in its capital improvement program the equipping of improvements for enhanced nutrient removal at the Jarratt Wastewater Treatment Plant located in the County of Greenville, Virginia (the "Project");

WHEREAS, the Authority intends to issue one or more series of revenue bonds in an aggregate principal amount not to exceed \$700,000 (the “Bonds”) to finance all or a portion of the cost of the Project;

WHEREAS, the Internal Revenue Code of 1986, as amended, and Treasury Regulations Section 1.150-2 thereunder, provide that proceeds of tax-exempt obligations may be used to reimburse a previously paid expenditure provided that certain criteria are met; and

WHEREAS, the Authority has paid and intends to pay certain expenditures with respect to the Project prior to the issuance of Bonds to finance the Project and to receive reimbursement for such expenditures from proceeds of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE GREENSVILLE COUNTY WATER AND SEWER AUTHORITY AS FOLLOWS:

1. The Authority intends to issue or to cause the issuance of Bonds to pay all or part of the costs of the Project, together with other available funds.

2. The Authority intends to receive reimbursement from proceeds of the Bonds, when issued, for expenditures made not more than 60 days prior to the date of this Resolution related to the Project that are paid prior to such issuance.

3. Each expenditure reimbursed with proceeds of the Bonds will be, unless otherwise approved by the Authority’s bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Authority so long as such grant does not impose any obligation or condition to repay any amount to or for the benefit of the Authority.

4. The Authority intends to make a reimbursement allocation, which is a written allocation that evidences the Authority’s use of proceeds of the Bonds to reimburse an expenditure, no later than 18 months after the later of the date on which the expenditure is paid or the Project is placed in service or abandoned (but in no event more than three years after the date on which the expenditure is paid).

5. The Authority recognizes that exceptions are available under the applicable Treasury Regulations which also may permit reimbursement for certain (a) preliminary expenditures incurred prior to commencement of construction, (b) expenditures in an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the Bonds, and (c) expenditures for long-term construction projects of at least five years duration.

6. The Authority intends that adoption of this Resolution shall constitute “official intent” within the meaning of Treasury Regulations Section 1.150-2.

7. This Resolution shall be effective immediately.

Dr. Lee moved, seconded by Mrs. Wiley, to approve Resolution #WS-11-121, Resolution #WS-11-122 and Resolution #WS-11-123. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

In Re: Miscellaneous Matters – Departmental Reports

Various Departmental Reports and Staff Work Programs were prepared for the Authority's review and comments.

Chairman Ferguson asked if there were any questions or comments concerning the Reports. There were none.

There being no further business to discuss, Dr. Lee moved, seconded by Mr. Vaughan, to adjourn the meeting. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

Michael W. Ferguson, Chairman